# Report to Congress



Department of Defense Plan
For
Coordinating Care Between TRICARE
and the Department of Veterans Affairs

## Department of Defense (DoD)

# Report to Congress on DoD Plan for Coordinating Care Between TRICARE and the Department of Veterans Affairs

#### Introduction

Section 708 of the National Defense Authorization Act for FY 2003 (P.L. 107-314) directs the Secretary of Defense to (1) take actions to establish a process for coordinating care between TRICARE and the Department of Veterans Affairs (VA) that ensures patient safety and continuity of care while preventing diminution of access to health care from either source, and (2) prescribe a clear definition of an episode of care for use in the process of coordinating care between TRICARE and the VA. Section 708 also requires that the Secretary of Defense submit to the Committees on Armed Services of the Senate and of the House of Representatives a report describing the process prescribed above. Accordingly, this report provides the DoD's plan for coordinating care between TRICARE and the VA.

### **Background**

According to 10 USC 1086(g) TRICARE is to ensure "that no person eligible for health benefits under this section may be denied benefits under this section with respect to care or treatment for any service connected disability which is compensable under chapter 11 of title 38 solely on the basis that such person is entitled to care or treatment for such disability in facilities of the Department of Veterans Affairs."

In applying this statutory provision, TRICARE has established a policy that would ensure access to care under either program and continuity of care for beneficiaries while also ensuring that TRICARE and the VA do not duplicate benefits. This policy allows beneficiaries to use

either TRICARE or the VA for any episode of care, but they cannot use both. Often beneficiaries make the choice of which program to use, not by any definitive action, but simply by going first to either TRICARE or the VA for care. Once that is done, the other program cannot be involved. For example, if a beneficiary experiences back pain and goes to the VA for care, the beneficiary must then receive all care related to that back pain from the VA. If the beneficiary subsequently goes to a civilian physician for the back pain and submits a claim to TRICARE, TRICARE will deny the claim.

## **Episode of Care**

The limitation on care between TRICARE and the VA has been based on episodes of care which has never been fully defined under TRICARE. An episode of care is generally accepted to be all care related to a single injury or illness. However, it is left to the TRICARE managed care support contractors to actually determine what constitutes an episode of care when a claim is received that might be subject to this limitation. There has not been any universal policy as to when an episode of care ends. The end of the episode of care is important, because the limitation on using only TRICARE or the VA applies only to episodes of care. That is, if the beneficiary has elected to use the VA for one episode of care, the beneficiary can elect to use TRICARE for a different episode of care. That episode of care can overlap the initial episode of care if it is for a totally different injury or illness. If it is for the same injury or illness, an appropriate amount of time must pass without the beneficiary receiving any care.

As noted above, this policy was established in order to ensure continuity of care for our beneficiaries and to ensure there was no duplication of care or payments between TRICARE and the VA. If a beneficiary is receiving care from the VA for an injury or illness, a plan of care will

have been established by the VA provider, and subsequently receiving care from a different provider under TRICARE, who might decide on a different course of treatment, may actually negatively impact the beneficiary's progress. At the very least the services from the second provider would probably be duplicative and result in unnecessary expenditures by TRICARE.

Although this policy has generally worked well, there have been cases where a beneficiary has been dissatisfied with the care he/she was receiving from either TRICARE or the VA and has wanted to switch to the other program to receive services for the same episode of care. They have been unable to do so. Section 708 of the National Defense Authorization Act for FY 2003 (P.L. 107-314) addresses this issue.

#### **DoD Plan**

In analyzing how best to coordinate care between TRICARE and the VA, we have decided that changing our basic policy rather than defining episode of care would be the most effective way to coordinate care. By changing our policy we will ensure that no one is inadvertently denied access to care under TRICARE for which they also can receive treatment in a VA facility.

Any definition of episode of care would require some specific and arbitrary end date which undoubtedly would be detrimental to some individual cases. We also believe that there are few cases where the beneficiary wishes to obtain care from both programs. For the vast majority of cases, beneficiaries decide to use either TRICARE or the VA for reasons that are important to them, and they are satisfied with continuing to receive their care from the same source.

Therefore, we intend to change our policy to include care from VA medical care facilities under the definition of double coverage for TRICARE. This will enable individuals who are receiving care from the VA to change to care under TRICARE for the same episode of care.

Under this policy the VA is responsible for costs of healthcare they provide or arrange. A claim can then be submitted to TRICARE for reimbursement of any VA imposed patient cost-shares. At the same time, the beneficiary may choose to receive additional care from a civilian provider for the same episode of care that has been provided by the VA. Claims for this care, so long as it is medically necessary, can be submitted to TRICARE, and they will be reimbursed.

This policy eliminates the need for an arbitrary definition of an episode of care, and it ensures full freedom of choice for beneficiaries who have entitlement to both TRICARE and VA benefits. While there may be some remaining issue regarding continuity of care and duplicative care for a very few cases, this is largely mitigated by the fact that many TRICARE beneficiaries are enrolled in TRICARE Prime. Under Prime, all care is coordinated by an assigned Primary Care Manager who can ensure that any care received under TRICARE does not interfere with or duplicate care being provided by the VA.

DoD has initiated the rulemaking process to implement this change. Concurrently DoD will prepare and issue implementation instructions, so the change can be implemented upon completion of the rulemaking process.

#### Summary

Consistent with section 708 of the National Defense Authorization Act for FY 2003, it is the DoD's plan to implement a process for coordinating care between TRICARE and the VA that ensures patient safety and continuity of care while ensuring that beneficiaries continue to have full freedom of choice of care.